



**STATE OF CONNECTICUT**  
**DEPARTMENT OF TRANSPORTATION**  
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**Office of the  
Commissioner**

**Public Hearing – March 9, 2022**  
**Appropriations Committee**

**Testimony Submitted by Commissioner Joseph Giulietti**  
**Department of Transportation**

**S.B. 106, An Act Concerning Legislative Oversight and Approval for the Expenditure of Federal Transportation Infrastructure Funding.**

Thank you for the opportunity to present testimony regarding S.B. 106. The Connecticut Department of Transportation (CTDOT) was pleased with passage of Public Law 117-58, the *Infrastructure Investment and Jobs Act* (IIJA). For transportation, IIJA **reauthorizes existing federal surface transportation programs**, and establishes four new programs, resulting in increased formula funds (38%) for Connecticut for FY 22-26, and also provides over \$100 billion in national discretionary grant opportunities over the same five-year period. IIJA is the funding mechanism for the **entire** federal portion of the CTDOT Capital Program. IIJA includes many programs, however there is no distinction of the federal funds within a program. There is no way to differentiate the increased funding from CTDOT's base-level formula funding.

SB 106 would require additional oversight and approval for the expenditures of IIJA federal transportation infrastructure funds. Creation of an additional administrative layer will:

- add complexity to an already complex transportation program administration process;
- result in increased costs and unnecessary delays in delivering the state's transportation construction program; and
- add duplicative transparency and accountability that exists today within the current legislative processes and federal and state transportation planning processes.

Section 1 of the bill requires the Office of Policy and Management (OPM) to submit **recommended allocations** of the first installment or anticipated IIJA funds to be received by the state. Federal Transportation funds are not allocated in installments, nor by OPM. Transactions are processed directly between CTDOT and federal agencies on a per-project basis, which involves establishing federal receivables and processing reimbursements based on expenditures. CTDOT does not receive the funding before a project starts, but rather the funding is agreed upon on a per-project basis and then issued as periodic reimbursements as the project advances. The approval mechanism described in the proposed bill is not consistent with the federal funding process.

SB 106 as written, does not align with the process already outlined by the U.S. Department of Transportation (USDOT) in the signed Stewardship and Oversight Agreement. This agreement specifically outlines the roles and

responsibilities CTDOT must follow with the objective of being as efficient and effective with the management of federal funds. Federal funds are applied to over 350 new projects annually, and to approximately 1,000 active ongoing projects. This involves thousands of transactions required for the initiation, modification and closure of projects. Under the bill, the committees of cognizance would need to be made aware of modifications to the federal funding for each project, requiring multiple daily notifications and dozens each week. In addition, legislative input may not always align with the shovel-ready projects or the guiding federal rules and regulations. This would potentially delay projects or put CTDOT in default of the Stewardship and Oversight Agreement.

Furthermore, CTDOT administers over 70 federal formula programs and competitive grant programs - each with their own eligibility requirements, funding restrictions, and administrative requirements that CTDOT must adhere to. These formula and grant programs are overseen and audited by the USDOT modal agencies providing direct federal oversight of these projects and programs. Requiring legislative review and approvals on federally funded projects places a layer between the federal funding agency and the operating agency, CTDOT.

The current process for prioritizing and programming transportation investments is a complex process that is prescribed by federal regulations and constrained by the need to closely match capital needs to the appropriate federal funding categories defined by law. Our regularly updated Statewide Transportation Improvement Plan is developed in consultation with local stakeholders at each of the state's Metropolitan Planning Organizations, endorsed by a vote of municipal chief elected officials, and posted for public review and comment prior to its submission for federal approval. Attached to this testimony is a flow chart that illustrates the current process. The great majority of our capital investments are devoted to **maintaining our existing infrastructure in a good state of repair and operating a safe transportation network**. This means that most of our capital funding allocations are determined by technical and data-driven asset and safety management systems that allocate funds as cost-effectively as possible to meet critical infrastructure repair and reconstruction needs.

CTDOT understands the committee has concerns with oversight and transparency related to IIJA and would like to work together to efficiently align the proper oversight with our current legislative reporting process.

For further information or questions, please contact Anne Kleza ([anne.kleza@ct.gov](mailto:anne.kleza@ct.gov)) at the Department of Transportation, (860) 594-3015.